

FBIS-1562/86

2 SEP 1986

MEMORANDUM FOR: Director of Logistics

FROM:

Director, Foreign Broadcast Information Service

SUBJECT: Rental Survey - Key West, Florida

REF: Your memo, same subject, dated 19 August 1986

1. Upon review of the rental survey for our Key West housing prepared by RECD, we feel we cannot yet concur in the proposed rental figures. We appreciate your office's effort, but we feel very strongly that several administrative adjustments must still be addressed under the guidelines provided by OMB Circular No. A-45. Once they have been fully addressed, and the appropriate reductions made, we will be ready to forward the proposal on to the Deputy Director for Administration for approval.

2. The location of the FBIS quarters on military property rather than in the civilian environment of Key West will present employees with specific problems of isolation, lack of privacy, and morale. Directing employees to work and live closely together, while complying with strict military guidelines, will be considered by many to be an interference in their private lives. For example, every employee must without exception obtain prior approval from the base security officer to receive guests for both limited and overnight stays. The base commanding officer's permission must be obtained for guests staying more than 15 days. All vehicles are subject to search, and escorts must be provided for visitors after 2300 hours. As dependent children are not allowed to act as escorts for their friends, they are at a virtual loss for playmates due to the limited number of families assigned quarters. In addition, all dependents under the age of 18 are prohibited from using the base recreational facilities unless accompanied by their sponsor, the employee. They are held subject to a constant base curfew, and must comply with published base standards of personal appearance and dress. We feel the above restrictions, when the guidelines of OMB Circular A-45 are applied, should result in a combined reduction of 15 percent from the proposed base rent.

3. A second area of major concern is the eventual necessity of moving some employees into quarters far larger than they need, resulting in increased personal expenses. According to OMB guidelines, the lease

rental rate should be reduced in direct proportion to the degree of the excess. With your concurrence, we propose to apply a flat 10 percent reduction to all employees whose family size does not require the full sized three-bedroom quarters.

4. A final major problem that must be addressed is the abnormally high electricity costs the employees will incur when relocating into the new centrally air conditioned houses. Key West rates have been well documented and far exceed what would be considered normal in the Washington D.C. area. Our best conservative estimate is that the employees' average monthly electricity costs will, at a minimum, double upon moving into the new all-electric quarters. Employees cannot be expected to bear so extreme an increase and hardship in their personal expenses just to comply with FBIS's direction to relocate into new housing. OMB guidelines allow a formula deduction from the annual rent for excessive heating and cooling costs. Excessive costs are defined as those costs in excess of 25 percent over an established average. We propose, under these guidelines, to allow all employees to deduct from annual rental payments those electrical expenses that can be documented as being in excess of 25 percent over their average annual cost for the preceding year in their current housing.

5. We are ready to work with your office in any way to reach agreement on these issues. If we may be of assistance, please contact our Chief, Administrative Staff,

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